

# Camano Water Association Annual Meeting Minutes November 1, 2014

**Call to Order:** 9:30 a.m. by President David Weir

**Introductions:** Board members: President David Weir, Vice President Ethel Bronson, Secretary Danae Willson, Treasurer Robert LaLanne, Trustee Richard Duane Atkins. Staff: Office Manager Lenore Heffernan, System Operator Dan Peterson, Office Support and IT Peter Turner.

**Approval of 2013 Minutes:** The minutes of the November 2013 annual meeting were read by Danae Willson; a motion was made to approve as written, seconded and approved by everyone present.

**Financial Report:** The financial report was given by Terry Greer, CPA. Terry began by recognizing that the CWA board members and staff are very dedicated and responsible, and are, in his opinion, proving to be good stewards of the CWA system. He continued his report making these notes:

In advance of the 2014 Annual Meeting, Terry sent several suggested recommendations to the board, which the board implemented. A review of 2013 was completed; a review of the previous year is done annually, a complete audit was done two years ago. CWA's internal controls are as they should be. No material modifications to the financial statements are needed in order to conform to accounting principles. Terry reviewed the financial statement for 2013, finding CWA in good standing.

WA State law requires a reserve study, which CWA is developing, to include near-, mid- and long-term plans –with related projected expenses– for a thirty year plan. Terry recommended CWA establish a reserve account with a balance of \$100,000 to \$150,000, in addition to adequate operational funds. Funding the plan will be achieved by building up a cash reserve fund, with a special assessment option if needed. More costly projects may be funded by loans and/or bonds. Terry thanked the members for their attendance and interest in CWA, noting that the financial report is available to members through the office.

**Operation's Report:** Dan Peterson talked about the planned maintenance projects that were completed in the past year and showed slides of the work-in-progress and the results. Some of the larger projects are:

The Country Club Drive was completed with new pipe laid underground, wells 6 and 8 were refurbished, the filter system was rejuvenated and, data loggers were installed in wells to record and monitor the drawdown. This drawdown data is also included in CWA's Water Use Efficiency Reports to the state. A Q and A followed with these questions and answers: Did CWA pay for any work on the Hansell Mitzel project? No, CWA did not pay for anything on that project. Questions on flushing and brown water were raised. Dan is planning to implement a flushing program for 2015 and he explained the process. He added that the water is high in manganese and iron – it is hard water. A member asked about the intermittent chlorine smell in the water. Dan explained we are well below the DOH requirement. Also, some people can be more sensitive to the slightest smell of it whereas others won't notice it. It is not harmful, and proportional adjustments are made as the amount of water produced fluctuates with seasonal demands.

**President's Report:** David Weir continued the meeting with a flow chart presentation, created by Peter Turner, detailing all of the areas of responsibilities inherent in the operation of CWA. It began with water rights, and continued with the wells, treatment plant, distribution system, storage tanks, water quality, state standards, planned maintenance, security, administration, and on through several more layers, detailing the full scope of the business and operational aspects of CWA. The engineer working with CWA

provided a Long Term Capital Facilities draft plan, which the board is reviewing. CWA meters are twenty years old; an estimated replacement cost is \$4 - 500,000. David informed everyone that the water lines are in the backyards on some streets, such as Watkins, Thompson, Carol, Edgewood, and a few others. There is a utility right-of-way between the backyards of such properties. However, many homeowners have landscaped, built sheds, and/or installed fences in the right-of-way sections. As the time approaches to replace the water lines and/or the meters in these areas there will need to be discussions with homeowners to determine the best method(s) to go about the process.

**Treasurer's Report:** Copies of the report were distributed to the members. Robert LaLanne summarized his report for 2014. Notable items are as follows: The water billing formula changed from a flat rate to a per-gallon charge along with the base fee, as meets current best practices and industry standards. Rates will continue as they are currently through 2015, and will be reviewed during the year for possible refinements in 2016. The capital improvement charge will continue as an additional charge on the bill. CWA staff and board members met with the engineering consultant to determine and calendar projects for the system (refer to the President's report above). The bylaws are in process of a review for potential updates; a reserve study is in progress, as required, and there is a draft of the projected budget for 2015. A reserve fund will be established in 2015.

**Election Results:** Lenore Heffernan announced the results from the ballot count. There were no write-ins on the ballots, nor did any members express interest in running. Robert LaLanne and Richard Duane Atkins were re-elected for the next three year term.

David Weir	President	2015
Ethel Bronson	Vice President	2016
Danae Willson	Secretary	2015
Robert LaLanne	Treasurer	2017
Richard Duane Atkins	Trustee	2017

**Destroy Ballots:** David Weir motioned to destroy the ballots, it was seconded and the vote carried.

**Questions/Discussion:** A member suggested CWA do a better job of notifying the homeowners when work is going to be done in their area. David Weir, president, responded that the previous managers had not done the best job, other than distributing door hanger alerts. The new CWA practice is to send letters explaining the scope of work to better set expectations and providing contact information for further information. This practice was instituted with the last part of Country Club Drive project, which went smoothly with no complaints. Another member asked what the \$45 base fee covers. David explained that it covers the management of the company, as opposed to the water system operation and maintenance.

Another member suggested we obtain all members' email addresses to send alerts and/or notification in an emergency situation. The office staff will look into this. And a member asked about evening meetings. They have been announced and held in the past to accommodate such requests. The monthly meetings are posted in advance in the newsletter part of the bi-monthly bill.

A member who lives on Country Club Drive complimented the work done with the boring machine, used to lay the pipe, and noted boring under the driveways was really wonderful in that it did not disturb driveways and was very efficient and very neat and clean.

**Adjourn:** David Weir made a motion to adjourn at 11:25 a.m. The motion was seconded by everyone present.

**Reported by:** Lenore Heffernan, Office Manager  
Danae Willson, Secretary

Next Board Meeting November 18, 2014 Tuesday 8:30 a.m.